

Instructions for reporting activity on using quick-closeout, the DCMC and Air Force Class Deviations (Reference: Tasking Memorandum 99-27 and Policy Change Notice 98-215)

Under what circumstances does a contract need to be reported? A contract should be included in your monthly reporting when:

- A contract's final voucher has been submitted to DFAS for payment during the reporting month.

AND

- The CAO used quick-closeout or the class deviation and it meets the contract type listed in the notes below.
- Negative reporting is not required.

Columns 1-6. Contract number, contract type, CAO name, ORG code, Contractor Name, CAGE code. Self-explanatory.

Columns 7-8. Closeout Process Used. Place a check mark in the appropriate column based upon the method used for closing a contract.

Column 9. Receipt date of contractor rates used for overhead rate settlement. The date of the contractor rate(s) used for overhead rate settlement. For contracts using quick-closeout procedures, this may be receipt date of the contractor's incurred cost proposal, billing rates, actuals, or whatever rates used to settle the overhead rates. For contracts using the class deviation procedures, this will be the receipt date of the contractor's final certified indirect cost rate proposal.

Column 10. Date of overhead rate settlement. Self-explanatory.

Column 11. Contractor overhead year used for settlement. The latest contractor overhead year (indicate Calendar Year or Fiscal Year) for which the rates were settled.

Column 12. Estimated overhead rate settlement date for contracts had quick closeout or the class deviation procedures not been used. Date (month/year) the ACO believes the contractor division overhead rates will be settled for the same overhead rate year the class deviation and/or quick-closeout procedures were used (year entered in column 11).

Column 13. Remarks. Any comments about the effect on the rate settlement or closeout processes when using quick closeout and/or the class deviations.

Notes:

There are 2 class deviations. The AF class deviation and the DCMC class deviation. The Air Force class deviation applies to only five AF centers: Aeronautical Systems Center, Space and Missiles Center, Electronic Systems Center, San Antonio Air Logistics Center, and Sacramento Air Logistics Center. The DCMC class deviation applies to all DCMC administered contracts when all the conditions spelled out in the

DCMC class deviation are met. We are not asking for which class deviation since based on the contract number we can tell whether the contract was awarded by one of the five AF centers.

These deviations apply to the following types of contracts: Cost-Reimbursement, Fixed-Price Incentive, Fixed-Price Redeterminable, and Time-and-Materials. These are MOCAS type codes: A, L, R, S, T, U, V and Y. Use of quick-closeout procedures applies to all types of contracts except Firm Fixed Price contracts.

Under selected instances (only when compelling reasons exist) audit may be waived. If DCAA disagrees with the ACO, the ACO may proceed with waiving the audit. DCAA is an advisor to DCMC. If the ACO believes their decision is correct, they must document their rationale and proceed.

The difference between normal closeout, quick-closeout and the class deviations is that the quick-closeout and class deviation procedures authorize the ACO to negotiate the settlement of final indirect cost rates, for a specific contract, prior to the determination of contractor final indirect cost rates.